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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

KQ2-2230

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 1992
or
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ *to* _____

Commission File Number: 0-18671

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NUTRAMAX PRODUCTS, INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**061200464** (I.R.S. Employer Identification No.)
9 Blackburn Drive, Gloucester, Massachusetts (Address of principal executive offices)	**01930** (Zip Code)

Registrant's telephone number, including area code: **(508) 283-1800**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No___

As of May 14, 1992 there were 8,087,277 shares of Common Stock, par value $.001 per share, outstanding.

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NUTRAMAX PRODUCTS, INC.

Quarter Ended March 31, 1992

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NUTRAMAX PRODUCTS, INC.

Quarter Ended March 31, 1992

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

NUTRAMAX PRODUCTS, INC.

CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31,		Six Months Ended March 31,	
	1992	1991	1992	1991
NET SALES	$ 6,196,000	$ 5,296,000	$11,586,000	$ 9,707,000
COST OF SALES	3,374,000	2,987,000	6,453,000	5,626,000
GROSS PROFIT	2,822,000	2,309,000	5,133,000	4,081,000
OPERATING EXPENSES:				
Selling	683,000	628,000	1,263,000	1,198,000
General and administrative	687,000	535,000	1,420,000	1,037,000
OPERATING INCOME	1,452,000	1,146,000	2,450,000	1,846,000
OTHER CREDITS (CHARGES):				
Interest expense	-	(187,000)	-	(403,000)
Interest income	76,000	1,000	162,000	1,000
Other	27,000	4,000	39,000	7,000
INCOME BEFORE INCOME TAX EXPENSE	1,555,000	964,000	2,651,000	1,451,000
INCOME TAX EXPENSE	651,000	414,000	1,116,000	633,000
NET INCOME	$ 904,000	$ 550,000	$ 1,535,000	$ 818,000
EARNINGS PER SHARE:	$ .11	$ .09	$ .19	$ .14
WEIGHTED AVERAGE SHARES OUTSTANDING	8,087,000	5,995,000	8,087,000	5,995,000

See notes to condensed financial statements.

NUTRAMAX PRODUCTS, INC.

CONDENSED BALANCE SHEETS

	March 31, 1992 (Unaudited)	September 30, 1991 (See Note)
ASSETS:		
CURRENT ASSETS:		
Cash and cash equivalents	$ 6,285,000	$ 6,967,000
Accounts receivable, net	3,067,000	[illegible]
Inventories	1,945,000	1,903,000
Prepaid expenses and other	383,000	471,000
TOTAL CURRENT ASSETS	11,680,000	11,700,000
PROPERTY AND EQUIPMENT, net	5,675,000	5,023,000
GOODWILL, net	4,833,000	4,936,000
OTHER ASSETS:		
Intangible assets, net	476,000	348,000
Other	919,000	409,000
	$23,583,000	$22,416,000
LIABILITIES AND STOCKHOLDERS' EQUITY:		
CURRENT LIABILITIES:		
Accounts payable	$ 1,372,000	$ 785,000
Accrued payroll and related taxes	606,000	670,000
Other accrued expenses	468,000	728,000
Federal and state taxes payable	76,000	790,000
TOTAL CURRENT LIABILITIES	2,522,000	2,973,000
DEFERRED INCOME TAXES	500,000	417,000
STOCKHOLDERS' EQUITY	20,561,000	19,026,000
	$23,583,000	$22,416,000

Note: The balance sheet at September 30, 1991 has been condensed from the audited financial statements at that date.

See notes to condensed financial statements.

NUTRAMAX PRODUCTS, INC.

CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended March 31,	
	1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 1,535,000	$ 818,000
Adjustments to reconcile net income to net cash provided by operating activities	807,000	672,000
Decrease (increase) in current assets:		
Accounts receivable	(801,000)	(747,000)
Inventories	(42,000)	(84,000)
Prepaid expenses and other	68,000	(25,000)
Increase (decrease) in current liabilities:		
Accounts payable	587,000	87,000
Accrued payroll and related taxes	(84,000)	(49,000)
Other accrued expenses	(260,000)	(99,000)
Federal and state taxes payable	(716,000)	540,000
Net cash provided by operating activities	1,116,000	1,113,000
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of product line	-	147,000
Purchases of property and equipment	(1,101,000)	(70,000)
Deposit on equipment purchases	(407,000)	(36,000)
Other	(291,000)	(41,000)
Net cash used in investing activities	(1,798,000)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments under long-term debt	-	(1,006,000)
Net cash used in financing activities	-	(1,006,000)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(682,000)	107,000
CASH AND CASH EQUIVALENTS:		
Beginning of period	6,967,000	32,000
End of period	$ 6,285,000	$ 139,000

See notes to condensed financial statements.

NUTRAMAX PRODUCTS, INC.
NOTES TO CONDENSED FINANCIAL STATEMENTS
March 31, 1992
(Unaudited)

Note A - Condensed Financial Statements

The condensed balance sheet as of March 31, 1992, the condensed statements of operations for the three and six months ended March 31, 1992 and 1991, and the condensed statements of cash flows for the six months then ended have been prepared by the Company, without audit. In the opinion of the Company, all adjustments (consisting only of normal, recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at March 31, 1992, and for all periods presented have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. These condensed financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's September 30, 1991 Annual Report on Form 10-K. The results of operations for the period ended March 31, 1992 are not necessarily indicative of the operating results for the full year.

Note B - Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market.

	March 31, 1992	Sept. 30, 1991
Finished goods	$ 941,000	$1,023,000
Raw materials	927,000	788,000
Machine parts and factory supplies	77,000	92,000
	$1,945,000	$1,903,000

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion addresses the financial condition of the Company as of March 31, 1992 compared with September 30, 1991 and its results of operations for the three and six month periods then ended, compared with the same periods last year. This discussion should be read in conjunction with the Management's Discussion and Analysis section included in the Company's Annual Report on Form 10-K for the year ended September 30, 1991 (pages 10-14) to which the reader is directed for additional information.

Operations Review - Three Months Ended March 31, 1992 Compared to Three Months Ended March 31, 1991

Net sales for the second quarter of fiscal 1992 were $6,196,000, an increase of $900,000, or 17%, over the second quarter of fiscal 1991 sales of $5,296,000. The increase in net sales was primarily attributable to increased sales of the Company's douche and disposable baby bottle liner products which increased $427,000, or 10%, and $449,000, or 9%, respectively. These increases resulted from an expanded customer base and greater volume to existing customers.

Cost of sales for the second quarter of fiscal 1992 was 54% of net sales as compared to 56% for the second quarter of fiscal 1991. The decrease in cost of sales as a percent of net sales resulted from reductions in the cost of direct materials and waste, and the allocation of fixed manufacturing overhead over a

greater volume of units produced, as compared to the second quarter 1991.

Selling expenses for the 1992 quarter were $683,000, an increase of $55,000, or 9%, over the 1991 quarter expenses of $628,000. As a percentage of net sales, selling expenses decreased to 11% in 1992, from 12% in 1991. This decrease was primarily the result of lower sales commissions expense, relative to net sales in 1992 as compared to 1991, as a result of increased reliance on the Company's sales force instead of independent sales brokers.

General and administrative expenses for the second quarter of fiscal 1992 were $687,000, an increase of $152,000, or 28% over the comparable 1991 quarter expenses of $535,000. As a percentage of net sales, general and administrative expenses increased to 11% of net sales in 1992, from 10% in 1991. The increase was primarily attributable to management bonus expense, which increased $56,000 over 1991, bad debt expense, which increased $37,000 and professional services expense which increased $33,000 over 1991.

Proceeds from the Company's common stock offering in August 1991 were used, in part to retire all of the Company's outstanding long-term debt. Accordingly, the Company did not incur any interest expense in the second quarter of fiscal 1992.

For the second quarter of fiscal 1992, the Company earned interest income of $76,000 from investing its excess cash.

Net income for the second quarter of fiscal 1992 was $904,000, as compared to $550,000 in the comparable 1991 period.

The increase of $354,000 was primarily attributable to the increase in net sales and the elimination of interest expense partially offset by the increase in general and administrative expense and income tax expense.

Operations Review - Six Months Ended March 31, 1992 Compared to Six Months Ended March 31, 1991

Net sales for 1992 were $11,586,000, an increase of $1,879,000, or 19%, over 1991 sales of $9,707,000. The increase in net sales was primarily attributable to increased sales of the Company's douche products which increased $1,268,000, or 17%, over 1991 sales. Sales of disposable baby bottle liners increased $549,000, or 60%, over 1991 sales. These increases resulted from an expanded customer base and greater volume to existing customers.

Cost of sales for 1992 was 56% of net sales as compared to 58% for 1991. The decrease in cost of sales as a percent of net sales resulted from reductions in the cost of direct materials and waste, the allocation of fixed manufacturing overhead over a greater volume of units produced and the reduction of equipment rental expense, as compared to 1991. The Company purchased certain manufacturing equipment in October 1991, which was previously leased under an operating lease arrangement.

Selling expenses for 1992 were $1,263,000, an increase of $65,000, or 5%, over 1991 expenses of $1,198,000. As a percentage of net sales, selling expenses decreased to 11% in 1992, from 12% in 1991. This decrease was primarily a result of

lower sales commissions expense, relative to net sales in 1992 as compared to 1991, as a result of increased reliance on the Company's sales force instead of independent sales brokers.

General and administrative expenses for 1992 were $1,420,000, an increase of $383,000, or 37%, over the comparable 1991 period expenses of $1,037,000. As a percentage of net sales, general and administrative expenses increased to 12% of net sales in 1992, from 11% in 1991. The increase was primarily attributable to management salary and bonus expense, which increased $155,000 over 1991, bad debts expense, which increased $87,000, professional services expense, which increased $50,000, insurance expense, which increased $41,000 and legal and accounting expenses, which increased $37,000 over 1991.

Proceeds from the Company's common stock offering in August 1991 were used, in part, to retire all of the Company's outstanding long term debt. Accordingly, the Company has not incurred any interest expense for fiscal 1992.

In 1992 the Company earned interest income of $162,000 from investing the available net proceeds from the stock offering in short-term investments.

The Company's effective income tax rates were slightly higher than the statutory tax rates as a result of permanent differences attributable to goodwill amortization. As of March 31, 1992 the Company had accumulated net operating loss carryforwards of approximately $980,000 which, upon utilization, will result in lower income tax liabilities. For fiscal year

1992, the Company anticipates utilizing approximately $335,000 of the net operating losses.

Net income for 1992 was $1,535,000, as compared to $818,000 in the comparable 1991 period. The increase of $717,000 was primarily attributable to the aforementioned increase in net sales, elimination of interest expense and earnings from interest income partially offset by the increases in cost of sales, general and administrative expenses and income tax expense.

Liquidity and Capital Resources

As of March 31, 1992, the Company had working capital of $9,158,000, including cash and cash equivalents of $6,285,000. Net cash provided by operating activities was $1,116,000 for the six months ended March 31, 1992 as compared to $1,113,000 in the prior year period. Capital expenditures, including deposits on equipment purchases, totalled $1,507,000 for the current period. The Company anticipates additional capital expenditures of approximately $400,000 during the remainder of fiscal 1992.

The Company believes that its existing working capital and anticipated funds to be generated from future operations will be sufficient to meet the Company's operating and capital needs.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K.

No information is required to be reported hereunder.

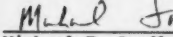
NUTRAMAX PRODUCTS, INC.
Quarter Ended March 31, 1992

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NutraMax Products, Inc.
(Registrant)

May 14, 1992
(Date)



Michael F. Sandler
Vice President and
Chief Financial Officer